

1960

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V. J. ELMORE 5c-10c & \$1.00 STORES, INC.
ANNUAL REPORT

DIRECTORS

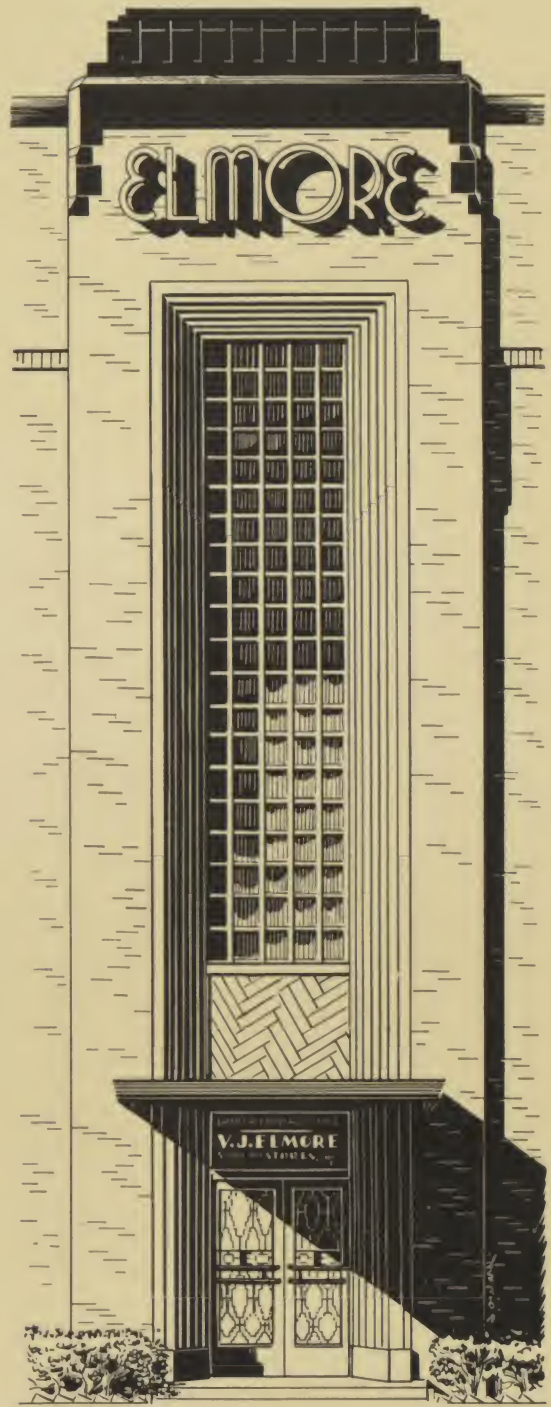
MRS. V. J. ELMORE.....	<i>President.....</i>	Birmingham, Alabama
W. F. RAINER.....	<i>Chairman of the Board.....</i>	Birmingham, Alabama
G. F. PARR.....	<i>Executive Vice President and Controller.....</i>	Birmingham, Alabama
W. A. WILLIS, JR.....	<i>Executive Vice President and Treasurer.....</i>	Birmingham, Alabama
MRS. OLIVE ELMORE CASADAY.....		Birmingham, Alabama
V. J. ELMORE, JR.....	<i>Secretary.....</i>	Birmingham, Alabama
GRADY REYNOLDS.....	<i>Reynolds & Reynolds Attorneys.....</i>	Clanton, Alabama

OFFICERS

MRS. V. J. ELMORE.....	<i>President.....</i>
W. F. RAINER.....	<i>Chairman of the Board.....</i>
G. F. PARR.....	<i>Executive Vice President and Controller.....</i>
W. A. WILLIS, JR.....	<i>Executive Vice President and Treasurer.....</i>
C. O. HESTER.....	<i>Vice President and Merchandise Manager.....</i>
R. N. HALES.....	<i>Vice President and Sales Manager.....</i>
C. A. MCSPADDEN.....	<i>Vice President and Manager Real Estate Dept.....</i>
T. C. CASADAY, JR.....	<i>Vice President and Manager Service Dept.....</i>
V. J. ELMORE, JR.....	<i>Secretary.....</i>

OTHER EXECUTIVES

J. K. McRAE.....	<i>Supervisor.....</i>
C. H. SWEATT.....	<i>Supervisor.....</i>
F. S. ALSUP.....	<i>Supervisor.....</i>
W. W. WHITTLE.....	<i>Supervisor.....</i>
L. T. CRENSHAW.....	<i>Buyer.....</i>
J. D. LIETCH.....	<i>Buyer.....</i>
J. D. ROBINSON.....	<i>Buyer.....</i>
J. C. WOOD.....	<i>Assistant Manager, Real Estate Dept.....</i>



Founded 1925

**A REPORT
TO THE STOCKHOLDERS V. J. ELMORE, INC.**

ANNUAL REPORT

JANUARY 28, 1961

PRESIDENT'S LETTER

To The Stockholders:

Included in this Annual Report is a balance sheet as of January 28, 1961, and an income statement for the fiscal year ended that date, together with comparative statements for the years ended January 28, 1961, and January 30, 1960.

The balance sheet discloses a sound financial condition. Reference to the comparative statement of income will reveal a net sales figure representing the highest sales volume in the history of the company, although the increase for the year may be regarded as modest, and not the volume anticipated. On the following page there is set forth a chart relative to how these sales dollars were used. There are also included figures with respect to the sales growth of the company since founded in 1925.

Net income of \$413,963 reflects a decrease when compared with the previous year, but can be regarded reasonable in view of factors having an adverse effect on sales and net profits. There has been the necessity of temporarily closing some of our better stores, and the expense incurred during remodeling. The general over-all increase in operating expenses and in addition markdowns incurred by lack of anticipated sales have had an impact on profits. Dividends have been paid in amount of \$134,978 and \$278,985 retained to supplement funds for improvements and expansion.

A program of store modernization and merchandising continues to be a vital importance in the maintenance of our competitive position in the variety store field. We are continuing our program of expanding service and the introduction of service betterments in the growing communities where our stores are located. It is believed that this is directly related to the healthy condition of our company. There were ten major remodeling jobs completed during 1960 and four are planned for 1961. There is one new store now under construction to replace one being discontinued in another location.

The major store improvements, other than building remodeling continues, as stated in report to stockholders for the previous year, to be the installation of air conditioning and conversion to self-selection, check-out systems. The latter, as has been stated, involves substantial changes in fixtures and expenditures incident thereto. Progress has been made, however, and there are now forty-five stores operating under the self-selection, check-out system and four conversions are to be made during 1961. Forty-two stores are now air conditioned and three are to be air conditioned during the current year. The policy of giving preference to those stores most in need of such equipment is being continued.

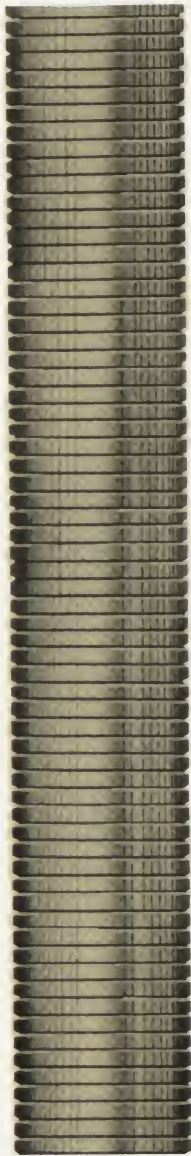
The year has been what may be termed satisfactory as to operations, although net profits are not in keeping with the year ended in 1960. Economic conditions have not been such as may have been expected and such results as have been achieved can be attributed to proper merchandising; alert and coordinated store operations under efficient supervision, and the improvement and maintenance of our physical assets. The gearing of control office staff more closely to company policies has been conducive to progress and safety of operation. The loyalty and efficient service of the personnel is gratifying. The Directors and Stockholders are to be thanked for their counsel and advice.

With best wishes to each of you, this report is submitted.

Mrs. V. J. Elmose
President

HOW OUR SALES DOLLARS WERE USED IN 1960

65.31%



Cost of Goods sold
and Expenses.

21.56%



Salaries and wages,
employees' benefits.

1.37%



Dividends paid to
stockholders for use
of their money.

2.48%



Allowance for wear,
obsolescence of
fixtures and
equipment, and
repairs.

2.80%



Earnings retained in
the business for
expansion and
modernization.

6.48%



Taxes paid to Federal,
State and City
Government.

HOME OFFICE and WAREHOUSE

10 SOUTH FOURTEENTH STREET
BIRMINGHAM, ALABAMA



Our home office building was completed on March 1, 1941, and with subsequent additions now contains 36,000 square feet of warehouse space on the ground floor. Executive and buying offices are located on the second floor with suites of offices arranged for each department. The entire office area is equipped with year-round air conditioning and fluorescent lighting.

AUDITORS' REPORT

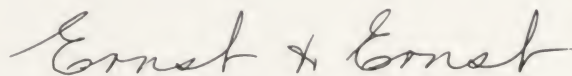
ERNST & ERNST
1300 FIRST NATIONAL BLDG.
BIRMINGHAM 3, ALA.

Board of Directors

V. J. Elmore 5c, 10c and \$1.00 Stores, Inc.
Birmingham, Alabama

We have examined the balance sheet of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., as of January 28, 1961, and the related statements of income and earned surplus for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and earned surplus present fairly the financial position of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., at January 28, 1961, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A handwritten signature in cursive script that reads "Ernst & Ernst".

March 2, 1961

BALANCE SHEETS

January 28, 1961, and January 30, 1960

ASSETS

CURRENT ASSETS

	January 28, 1961		January 30, 1960	
Cash		\$1,128,028		\$ 828,489
Marketable securities—at cost plus interest accrued:				
United States Government securities	\$ 445,309		\$ 889,248	
Municipal obligations	454,775	900,084	-0-	889,248
Merchandise inventories:				
At stores—at cost as determined by the retail inventory method	\$1,624,736		\$1,763,586	
In warehouse—at lower of cost (first-in, first-out basis) or market	343,325		511,181	
In transit—at cost	109,751	2,077,812	144,598	2,419,365
Prepaid expenses		10,823		10,812
TOTAL CURRENT ASSETS		\$4,116,747		\$4,147,914

INVESTMENTS AND OTHER ASSETS

State of Alabama obligations due April 1, 1968—at cost plus interest accrued	\$ 44,108		\$ 44,108	
Other securities—at cost	20,600		19,050	
Sundry accounts receivable	540	65,248	693	63,851

LAND, BUILDINGS, AND EQUIPMENT—

at cost, less allowances for depreciation and amortization				
Land	\$ 21,854		\$ 21,854	
Office and warehouse building and paving	\$ 190,177		\$ 190,177	
Store buildings	23,300		23,300	
Fixtures and equipment	1,394,255		1,195,159	
Automobiles and trucks	91,033		81,367	
Improvements to leaseholds	450,794		301,430	
Betterments in progress	39,874		-0-	
	\$2,189,433		\$1,791,433	
Less allowances for depreciation and amortization	922,596		843,547	
	\$1,266,837	1,288,691	\$ 947,886	969,740
		\$5,470,686		\$5,181,505

COMPARATIVE STATEMENT OF INCOME

Fiscal years ended January 28, 1961, and January 30, 1960

	Fiscal Year Ended		Increase Decrease*
	Jan. 28, 1961	Jan. 30, 1960	
Net sales.....	\$9,875,031	\$9,824,692	\$ 50,339
Cost of goods sold.....	6,012,422	5,959,393	53,029
	\$3,862,609	\$3,865,299	\$ 2,690*
Selling and administrative expenses.....	3,001,125	2,906,490	94,635
	\$ 861,484	\$ 958,809	\$ 97,325*
Other income.....	29,519	35,347	5,828*
INCOME BEFORE TAXES ON INCOME.....	\$ 891,003	\$ 994,156	\$103,153*
Taxes on income:			
Provision for the year—estimated:			
Federal normal income tax and surtax.....	\$ 455,000	\$ 504,000	\$ 49,000*
State income taxes.....	15,000	17,000	2,000*
Overprovision for prior year.....	3,702*	3,023*	679*
Additional taxes on income for prior years.....	10,742	-0-	10,742
TOTAL TAXES ON INCOME.....	\$ 477,040	\$ 517,977	\$ 40,937*
NET INCOME.....	\$ 413,963	\$ 476,179	\$ 62,216*

Provision for depreciation and amortization included above:
1961—\$211,409; 1960—\$190,306.

*Indicates red figures.

COMPARATIVE STATEMENT OF EARNED SURPLUS

Fiscal years ended January 28, 1961, and January 30, 1960

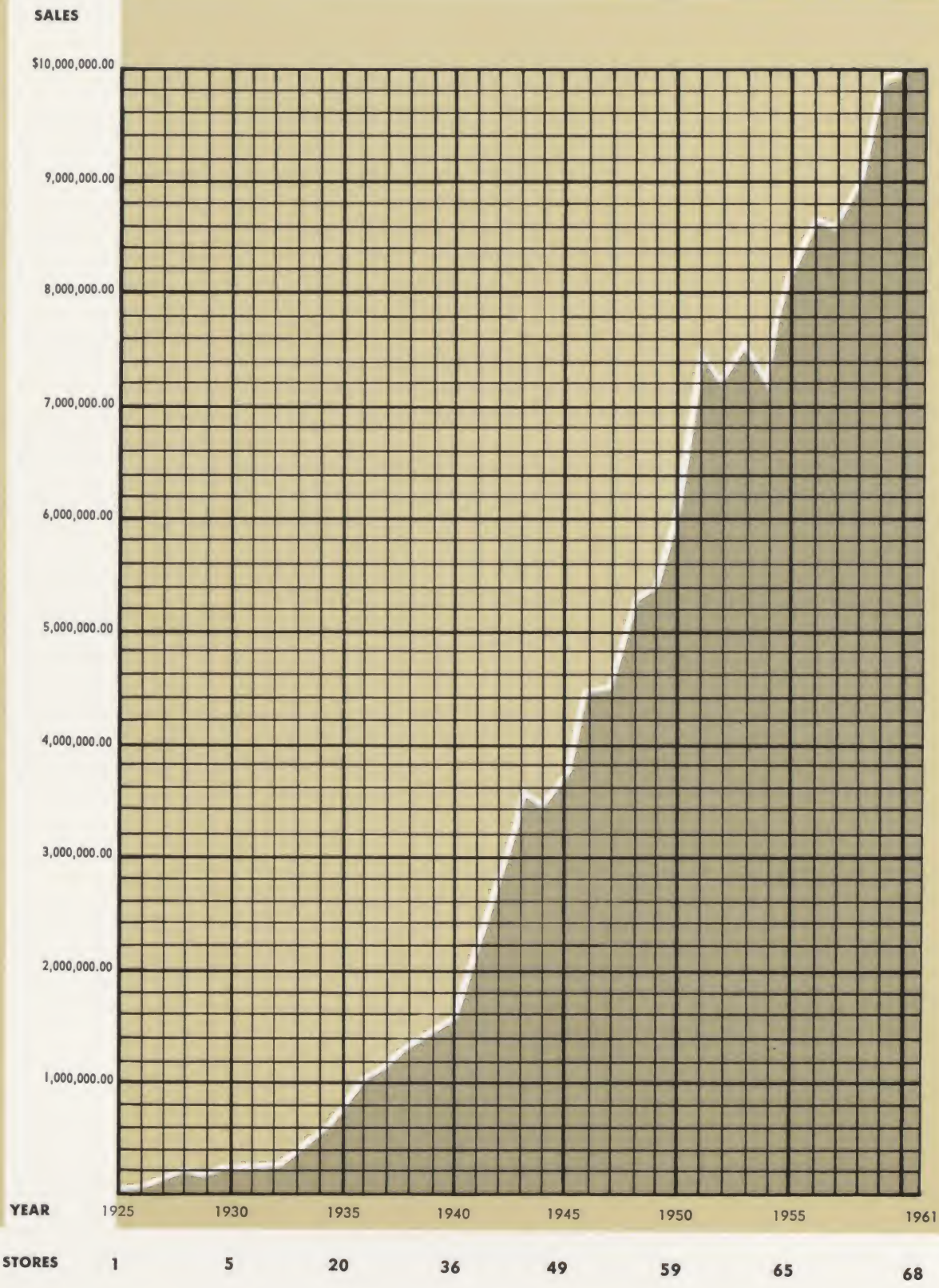
	Fiscal Year Ended		Increase Decrease*
	Jan. 28, 1961	Jan. 30, 1960	
Balance at beginning of year.....	\$4,029,302	\$3,689,128	\$340,174
Add net income for the year.....	413,963	476,179	62,216*
	\$4,443,265	\$4,165,307	\$277,958
Deduct:			
Cash dividends paid:			
On 7% First Preferred Stock (\$7 a share).....	\$ 5,459	\$ 5,810	\$ 351*
On 5% First Preferred Stock (\$5 a share).....	13,019	13,695	676*
On Class "A" Common Stock (\$25 a share).....	62,500	62,500	-0-
On Class "B" Common Stock (\$9 a share).....	54,000	54,000	-0-
	\$ 134,978	\$ 136,005	\$ 1,027*
Excess of amount paid on purchase and permanent retirement of 63 shares of 7% First Preferred Stock over its par value.....	2,520	-0-	2,520
	\$ 137,498	\$ 136,005	\$ 1,493
Balance at end of year.....	\$4,305,767	\$4,029,302	\$276,465

NOTE TO FINANCIAL STATEMENTS

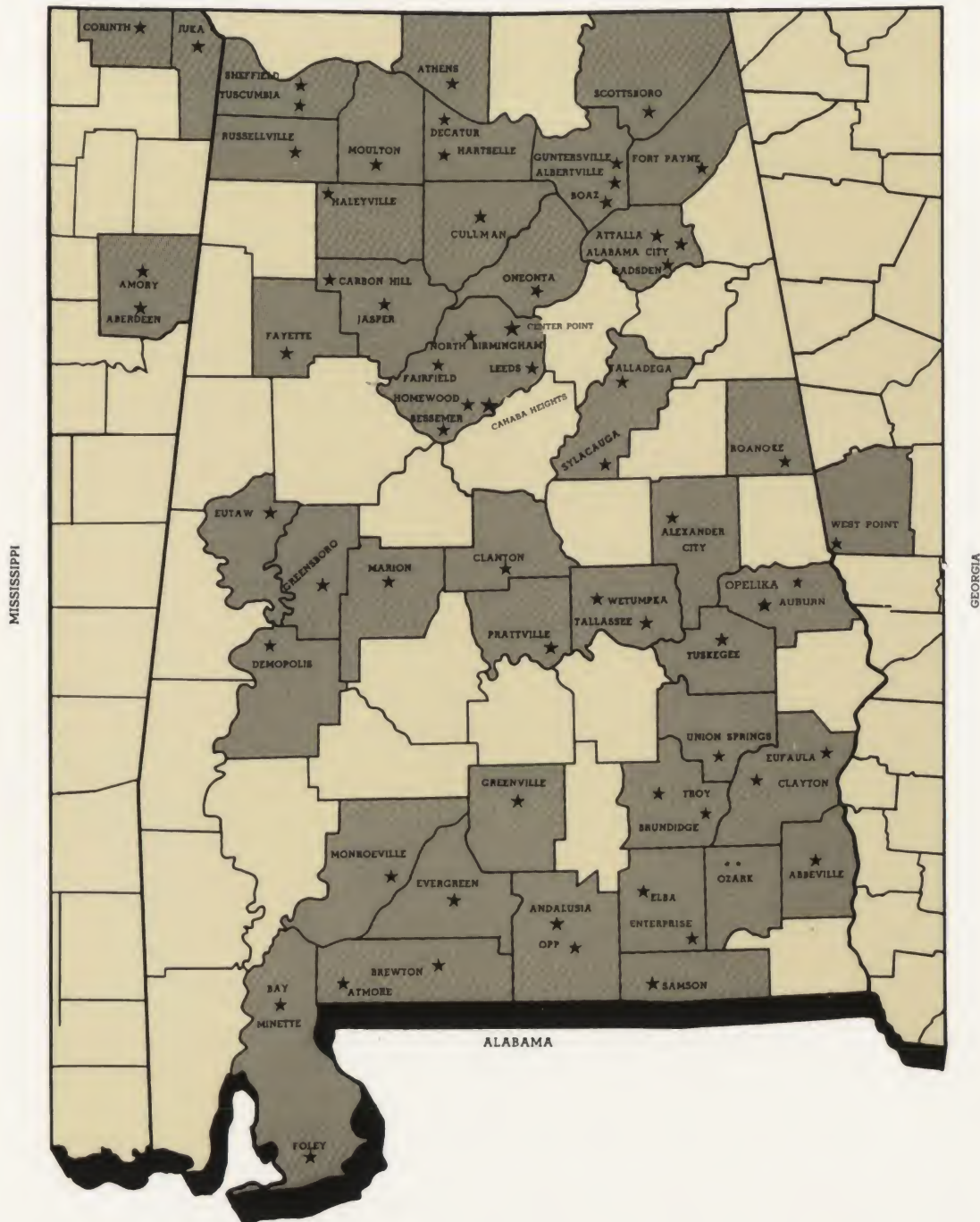
January 28, 1961

Note A—The Company is leasing land and buildings at sixty-six store locations. The terms of these leases range from one to eighteen years. The annual minimum rental is approximately \$275,000, plus additional percentages on sales over agreed amounts at certain locations.

SALES 1925-1960



LOCATION OF V. J. ELMORE STORES



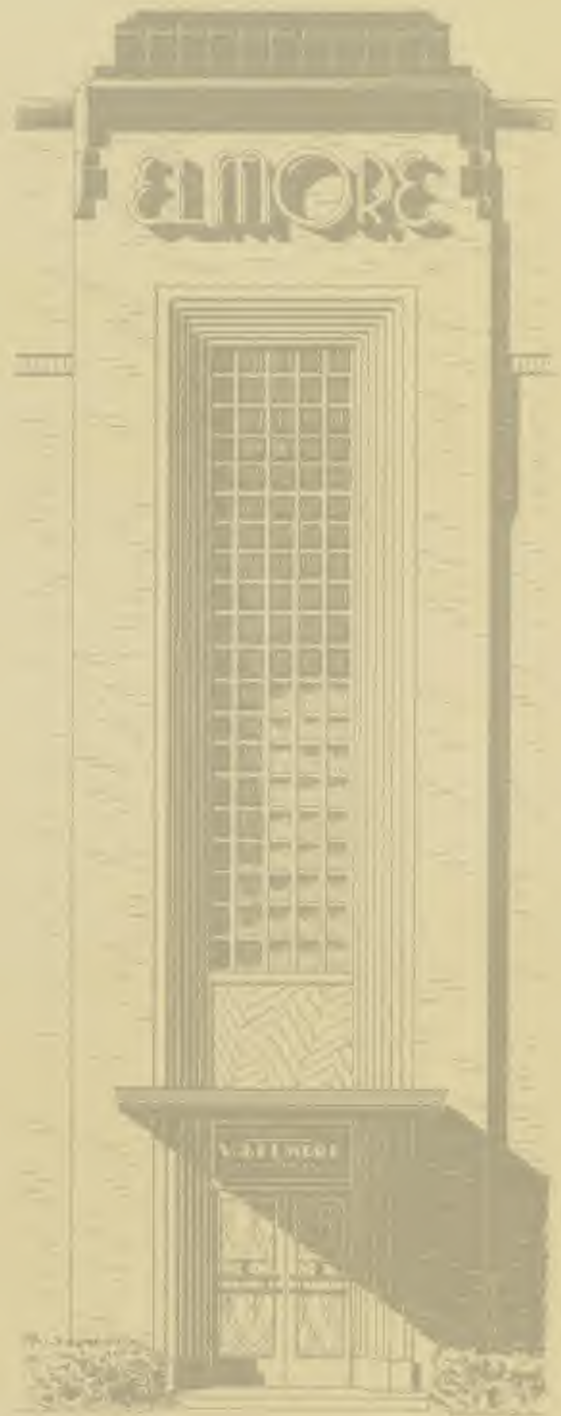
ALABAMA • GEORGIA • MISSISSIPPI

V. J. ELMORE

Stores and Managers

1925	Clanton, Ala.	J. C. Parr	1940	Aberdeen, Miss.	Walter G. Swann
1927	Jasper, Ala.	G. R. Dunlap	1940	Amory, Miss.	J. O. Ferrell
1928	Wetumpka, Ala.	Edgar Gassett	1941	Guntersville, Ala.	Harvey Brom
1929	Haleyville, Ala.	J. D. Northcutt	1941	Eutaw, Ala.	Jiles H. Spears
1929	Russellville, Ala.	O. O. Fowler	1941	Tuscumbia, Ala.	Cam Wilkerson
1932	Alexander City, Ala.	J. W. Plyler	1941	Sylacauga, Ala.	Jasper T. King
1932	Hartselle, Ala.	J. H. Reynolds	1941	Scottsboro, Ala.	Dalton Gentry
1932	Athens, Ala.	L. B. Wallace	1941	Fayette, Ala.	James P. Boyles
1933	Andalusia, Ala.	R. M. Martin	1941	Decatur, Ala.	F. I. Manker
1934	Tuskegee, Ala.	Charles G. Harrison	1942	Fairfield, Ala.	R. H. Wilks
1934	Marion, Ala.	W. L. Olds	1943	Ozark, Ala.	Willie Morrow
1934	Demopolis, Ala.	J. T. Rinehart	1943	Abbeville, Ala.	Rolf Davis
1934	Greenville, Ala.	J. T. King	1945	Attalla, Ala.	Newell LaFayette
1935	Union Springs, Ala.	Edward Freeman	1945	Carbon Hill, Ala.	(Mrs.) Edith Rutledge
1935	Samson, Ala.	Jack Henson	1945	Iuka, Miss.	Calvin R. Bryan
1935	Prattville, Ala.	Stewart Culpepper	1946	Tallassee, Ala.	Claudell E. Garmon
1935	Troy, Ala.	H. R. Hutson	1947	Homewood, Ala.	H. S. Hayne
1935	Eufaula, Ala.	Cecil C. Cook	1948	Moulton, Ala.	John Glaze
1935	Atmore, Ala.	F. B. Littleton	1949	Enterprise, Ala.	K. P. Morris
1935	Bay Minette, Ala.	Orian E. Floyd	1943	Ozark, Ala.	Donald Chappell
1936	Brundidge, Ala.	W. O. Montgomery	1949	Foley, Ala.	M. F. White
1936	Clayton, Ala.	Tirres Hunter	1950	Leeds, Ala.	R. J. Wisener
1936	Evergreen, Ala.	William Murner, Jr.	1950	Gadsden, Ala.	C. W. Hackett
1936	Brewton, Ala.	C. O. McAlister	1950	Elba, Ala.	James H. Sport
1937	Albertville, Ala.	J. D. Henry	1950	Bessemer, Ala.	Marlin Brom
1937	Oneonta, Ala.	Xemon Hill	1951	Sheffield, Ala.	O. G. Hargett
1937	Greensboro, Ala.	Wm. L. Britnell	1951	Corinth, Miss.	Harold D. Mason
1937	Boaz, Ala.	Robert D. Edgeworth	1953	Roanoke, Ala.	J. W. Duncan
1937	Opp, Ala.	W. G. Baggett	1954	Auburn, Ala.	Robert E. Bray
1938	Fort Payne, Ala.	G. R. Rinehart, Jr.	1955	West Point, Ga.	Lamar Gassett
1938	Alabama City, Ala.	U. W. Green	1955	Cullman, Ala.	Leon Davis
1940	Talladega, Ala.	W. T. Camp	1957	Opelika, Ala.	J. M. Logan
1940	Monroeville, Ala.	J. F. Wade	1959	Center Point, Ala.	Johnny B. Bradford
1940	North Birmingham, Ala.	J. D. Cleere	1959	Cahaba Heights, Ala.	W. O. Epps

More
FOR MORE VALUE



V. J. ELMORE 1960 ANNUAL REPORT

